

W-03443A-11-0040

ORIGINAL



0000126314

ARIZONA CORPORATION COMMISS

UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 93182

Date: 2/10/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

First:

Last:

Complaint By: **Kedron D.**

Brook

Account Name: Kedron D. Brook

Home: (

Street:

Work: (000) 000-0000

City: Chino Valley

CBR: /

State: AZ Zip: 86323

is: E-Mail

Utility Company. **Appaloosa Water Company**

Division: Water

Contact Name:

Contact Phone

Nature of Complaint:

*****RECEIVED FROM COMMISSIONER NEWMAN'S OFFICE*****

From: Kedron & Gayle Brook [mailto:

Sent: Wednesday, February 09, 2011 12:19 PM

To: Pierce-Web

Cc: Newman-Web; Kennedy-Web; Burns-Web; Stump-Web

Subject: request for 100% rate increase from Appaloosa Meadows Public Water System #13-208

DOCKETED BY

The users of Appaloosa water were informed ,with last billing 1/31/11,that the arsenic levels have been above the standard MCL.The test was results were received Oct 12 2010.The letter informed the users that "The average level of arsenic over the LAST YEAR has been 17ppb"the caps are mine.

this is a water system that installed a arsenic filter and tanks in 2009,and was granted a Surcharge to pay for that. Apparently it wasn't up to the job.Now the water co.wants' a 100% rate increase to rectify their mistake.

I THINK NOT!

The application is loaded with unnecessary wants so they can reduce the arsenic filters and get the users to pay for

the water co mistake.

Please do not give them the increase.

RECEIVED
2011 JUN 13 P 2:54
ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

JUN 13 2011

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

thank you

Kedron D Brook

chino valley AZ 86323

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

2/10/11 I tried to contact consumer and I left a message with Mrs. Brook with my telephone number for Mr. Brook to contact me.

6/9/11 No return call received from consumer. Opinion noted and filed in Docket No. W-03443A-11-0040.
closed

End of Comments

Date Completed: 6/9/2011

Opinion No. 2011 - 93182

ARIZONA CORPORATION COMMISSION
UTILITY COMPLAINT FORM

Investigator: Carmen MadridPhone: /Fax:Priority: Respond Within Five DaysOpinion No. 2011 93905Date: 3/17/2011Complaint Description: 08A Rate Case Items - Opposed
19D Other - ACC Admin. QuestionsFirst:Last:Complaint By: **Jim & Marti** **Klein**Account Name: Jim & Marti KleinHome: (Street:Work: (000) 000-0000City: Chino ValleyCBR:State: AZ Zip: 86323is:Utility Company. **Appaloosa Water Company**Division: WaterContact Name:Contact Phone: /Nature of Complaint:

March 5, 2011

Arizona Corporation Commission
Consumer Services Section
1200 W Washington St.
Phoenix, AZ 85007

Ref: Docket #W-03443A-11-040

We, the undersigned are adamantly opposed to approval of any rate increase for Appaloosa Water Company at this time for the following reasons:

1. No cost estimates or quotations from licensed contractors or suppliers have been provided with the rate increase request for many of the upgrades that are being requested.
2. We question the need for a 500,000 gallon storage tank as requested in docket #W-03443A-10-0143. No customers have been added since this tank was approved and, according to the application, no growth or decline is anticipated. Was the existing tank inadequate at the time of approval?

If the applicant would like to expand the water company, it would be unfair to ask the current customers to pay for this expansion in the form of increased rates.

3. Why do the existing water meters need to be replaced? These meters are less than 10 years old and a water meter has an average life of 16 to 30 years as indicated in the attached document. As for freezing, this can be solved by simply placing insulation in the meter box at far less expense. Has the applicant provided copies of invoices for the replacement of frozen meters? If so, how many?

Several irrigation system backflow preventers froze and broke this winter but these are on the homeowner's

ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

side of the meter and as such are not Appaloosa Water Company's responsibility.

4. Applicant claims increased postage expenses, however, postal charges should not exceed \$.44X240 customers X12months=\$ 1,272 per year. In addition, applicant is including advertisements for his other businesses such as the enclosed Windmill Nursery flyer. Ratepayers should not have to subsidize distribution of advertisements for other associated businesses.

5. Applicant claims an operating loss of \$40,272.00 for 2010 but pays himself a salary of \$50,769.00, an increase of \$7,000 from the prior year. Is it right for the owner of a monopoly to request a rate increase for his own personal gain? If so, where does it end? How much is enough?

6. The owner took a personal loan of \$141,185.94 from the water company as indicated in the enclosed document. This money should have been used for ACC approved maintenance and improvements in lieu of rate increases.

7. We have been paying for arsenic treatment since July 2009 but the arsenic level has exceeded federal standards for the past year as stated in the enclosed letter from Appaloosa Water Company. Now we are being asked to pay more for treatment we've never received.

8. Applicant claims \$10,828.00 for miscellaneous expenses in 2010. Specifically, what were these expenses for? Miscellaneous expenses for \$2009 only totaled \$2959.00. In general, applicant has not shown receipts or invoices for many of the expenses listed on his application. How do we know that these expenses are valid? For example, are all of the expenses for Appaloosa Water Company such as phone bills and postage separate from applicants other businesses?

We respectfully, request that you carefully investigate Appaloosa Water Company financials and intentions prior to granting any rate increase or financing approval.

Jim & Marti Klein

Chino Valley, AZ 86323

enclosures

PLEASE RESPOND TO QUESTIONS THAT APPLY TO YOU.

End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

3/17/11 faxed to utility company @

6/9/11 Opinion noted and filed in docket no. W-03443A-11-0040. closed

End of Comments

Date Completed: 6/9/2011

Opinion No. 2011 - 93905